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FISCAL IMPACT STATEMENT

LS 6250

BILL NUMBER: HB 1403

NOTE PREPARED: Nov 25, 2008

BILL AMENDED:

SUBJECT: Admissions Preference for Indiana Residents.

FIRST AUTHOR: Rep. Stevenson

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill requires a state educational institution to limit the admission of students who are not Indiana residents to not more than 25% of each freshman class. It makes an exception if all Indiana residents who meet the state educational institution's standards for regular admission and have applied have been admitted.

The bill requires a state educational institution to give priority in graduate school admissions to Indiana residents.

Effective Date: July 1, 2009.

Explanation of State Expenditures: The bill could increase state expenditures for higher education if the number of resident students increased. The state currently provides an adjustment for state institutions with a history of growth. The adjustment is based on a four-year rolling average. The adjustment for enrollment change was \$1,750 per student for FY 2008 and \$3,500 for FY 2009. The enrollment change calculation does not apply to Indiana University - Bloomington, Purdue University - West Lafayette, Indiana State University, or Ball State University. The reduction in expenditures would probably be minor.

Explanation of State Revenues: Universities could experience a decrease in fee revenue if the number of resident students increased. The difference in resident tuition and nonresident tuition ranges from \$6,000 to \$11,000, depending on the state institution.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State educational institutions.

Local Agencies Affected:

Information Sources: Commission for Higher Education, Indiana public institutional fee rate for full-time resident and nonresident students.

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